

REGULAR SESSION OF THE
BRIGHAM CITY COUNCIL
May 19, 2005

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| PRESENT: | Jon Adams Holly Bell Reese Jensen Bob Marabella | Mayor Pro Tem Councilmember Councilmember Councilmember |
| ALSO PRESENT: | Blair Blonquist Jim Buchanan Mary Kate Christensen David Coates Jared Johnson Jeff Leishman Bruce Leonard Judy Loveland Dennis Sheffield Don Tingey Paul Tittensor | Water Superintendent Director of Emergency Services City Recorder Superintendent of Waste Treatment Building Official Zoning Administrator Director of Public Works Willard City Councilmember Director of Finance City Administrator Chief of Police |
| EXCUSED: | Lou Ann Christensen Alden Farr | Mayor Councilmember |

Mayor Pro Tem Adams called the meeting to order and led the audience in the Pledge of Allegiance. The Reverence Period was given by Dennis Sheffield. A motion to approve the minutes of April 21 and May 5, 2005 Council Meetings; April 21 and May 5 Work Sessions; May 5 Executive Session; April 22 and 26, May 3 Budget Work Sessions was made by Councilmember Bell. The motion was seconded and carried. Mayor Pro Tem Adams presented the agenda as follows:

PUBLIC COMMENT
CONSENT

Request for Approval of Ground Lease Agreement with Todd Williams

PUBLIC HEARINGS

Zoning District Change from R-1-8 (Single Family Residential District) to M-D (Manufacturing-Distribution District) for the Big J Mill Located at 733 West Forest Street

SCHEDULED DELEGATION

Youth City Council Annual Report
UTA Task Force Report
Request to Hook Up to Brigham City Water
Concerns Regarding Impact Fees

NEW BUSINESS

Request from Perry City to Purchase 10-Wheeler Dump Truck
Resolution Increasing Ambulance Rates

UNFINISHED BUSINESS

Recommendation on Willard City Sewer Rates

OTHER BUSINESS

National Public Works Week

CLAIMS

Warrant Register

Mayor Pro Tem Adams added the item under Other Business. Councilmember Bell made a motion to approve the agenda as amended. The motion was seconded and carried unanimously.

PUBLIC COMMENT

Mayor Pro Tem Adams stated that in the Ogden Standard there was an article about journalists going to different cities, police departments, school districts and counties asking for information. Brigham City's Police Department received a grade of A+ in both divisions.

Mayor Pro Tem Adams said he attended the Governor's Envision Utah Growth Awards Ceremony. There was an award given out on water shed land acquisition. He recommended the Council consider this. There is a small fee assessed as part of the monthly billing to protect the water shed area.

There were no further comments from the public.

CONSENT

Request for Approval of Ground Lease Agreement with Todd Williams

An agreement was presented with Todd Williams to build a hangar at the airport.

MOTION: A motion to approve the Consent Agenda was made by Councilmember Marabella, seconded by Councilmember Jensen and unanimously carried.

PUBLIC HEARINGS

Zoning District Change from R-1-8 (Single Family Residential District) to M-D (Manufacturing-Distribution District) for the Big J Mill Located at 733 West Forest Street

Mr. Jeff Leishman came forward and explained that the City has received a request from Big J Mill to rezone their property at 733 West Forest Street. It is currently zoned R-1-8, which is residential single family. Big J Mill is a nonconforming use in their zone, and it is very difficult to expand or make modifications in a nonconforming use. The General Plan has a designation of light industrial for this area.

A motion to open the public hearing was made by Councilmember Bell, seconded and carried. There were no comments from the public. A motion to close the public hearing was made by Councilmember Marabella, seconded and carried.

MOTION: Councilmember Marabella made a motion to approve the zone change from R-1-8 to M-D for the Big J Mill located at 733 West Forest, seconded by Councilmember Jensen and unanimously carried.

SCHEDULED DELEGATION

Youth City Council Annual Report

Youth Mayor Baugh and Youth Mayor Pro Tem Ryan Jensen presented an annual report for the Youth City Council. Mr. Jensen said the other members of the Council are Alison Munns, Michael Clark, Lauren Christensen and Nick Saunders.

Mayor Baugh said the Council participated in several service projects. This year they planted flowers at the temporary Bird Refuge building; each year they help with BooFest with a game; tied a quilt for the YCU; helped with Bocci for the Special Olympics; assisted in organizing the Jr. Peach Days parade and handed out treats at the end; sorted food at the food pantry; cleaned shelves and helped at the library; painted pillars and weeded at the Family Support Center; helped with games at the Family Fair.

Mayor Baugh stated that each month, besides a service project, they also have a government activity. They either have a speaker or go on a tour of a City facility. The speakers this year included Paul Larsen, City Planner, and Reese Jensen, City Councilmember. They toured the police station, the bowling alley, the district courthouse, the emergency services building, and the waste treatment plant.

Mr. Jensen said in March, they attended the Association of Youth City Councils Leadership Conference at Utah State. Thirteen members were able to attend. It was a three day conference and they shared ideas with other councils and got a lot of ideas from their councils. There were motivational speakers and they attended workshops.

Mr. Jensen continued that several members of the Council are involved throughout the community. The Mayor and councilmembers are involved in the City's Communities That Care program. They each meet once

a month with their individual TAG teams. They also participated in the Club Fair at the high school. They sponsored a Freedom Essay Contest for the high school. There were over 30 participants enter this year, and Rebecca Woods was the winner.

Mayor Baugh thanked their advisors, Linda Baugh and Rebecca Dilg, for their great support, as well as the Mayor and City Councilmembers.

Councilmember Jensen said he has had the opportunity to work with the Youth City Council. He has been very impressed with the quality of young people on the Youth City Council. The greatest youth in the country are right here in this City. This is a great opportunity for these youth to improve their leadership skills.

UTA Task Force Report

Mr. Rex Yarger, Chairman of the UTA Task Force, reported the summary findings of the Box Elder Long Term Transit Study.

The study found that in Box Elder County there will be approximately 650,000 annual one-way trips. Access services were the greatest potential demand for these trips, roughly 43%. Brigham City generated 48%, Tremonton, 14%; Perry and Garland both generated 4%. Commuter trips generated about 40% of the total trip demand. The most prevalent type of commuter services are trips within the County. There is a substantial demand for commuter services in the County from both South Box Elder and Cache County.

The total demand includes 43% disabled, elderly, poverty; 40% of the commuters are workers and students, out of that 40%, 30% are within the County; 17% are general public use, of which 12% are within the County.

Mr. Yarger indicated on a map the six possible bus routes the study recommended in the County.

Currently there is \$650,000 generated revenue from a 1/4 cent sales tax. One proposal is to increase this to a half cent for Brigham City, Perry and Willard, which will add \$650,000 to the total revenue available. To establish services outside these areas, there is a proposal to initiate a 1/2 percent tax for communities outside of Brigham City, Willard and Perry. This will generate \$600,000, for a total of \$1.9 million.

Current services cost \$650,000 a year. The proposed commuter rail cost is about \$800,000 per year. The conceptual County local system being proposed, including all six routes, would cost \$500,000 annually to run. To implement all the routes would be another \$754,000. This would be a total of \$2.7 million. Only \$1.9 million can be generated with all the tax increases allowed. Mr. Yarger explained that transit fares cannot alleviate this expense. There is no transit system in the world that pays for itself, and there never has been. Fares never pay for a transit system. He added that if commuter rail is excluded, everything else can be funded. Mr. Yarger stated that the problem is not alleviated if commuter rail is funded and the existing services are not taken over by a local transit system, but maintained by UTA. This creates a \$50,000 shortfall if the services are not transferred, so there is no money to even start a local transit system. If there is a county-wide tax and the services are transferred, there would be \$600,000 for implementation of the routes.

The study indicated that it will be difficult to get a county-wide tax increase of a 1/2 cent. They felt it will be more feasible that the 1/4 cent increase will be passed for Brigham City, Perry and Willard. This will generate \$1.3 million revenue. The cost for commuter rail, plus the current cost of services with UTA without any transfer of services, would be \$1.45 million, which is a shortfall of \$150,000. If existing services are maintained, there is no money left to do anything locally.

If the services are transferred, there is an option to generate a local transit system and have commuter rail as well, just with the Willard, Perry and Brigham City additional 1/4 cent sales tax.

Mr. Yarger said the study recommended the County establish its own local transit agency (similar to Cache County system), using a private sector contractor rather than through direct public sector employees (UTA) for the greatest cost effectiveness. This system could be set up under the UTA umbrella, or could be set up as a separate system. There are several reasons for this recommendation. The public has a negative opinion of the service being provided by UTA. The primary reason for this opinion is that the current service meets

less than 15% of the current transit need. Brigham City, Willard and Perry currently have little or no voice with UTA decisions. For example, cancellation of the Thiokol commuter bus and the Brigham City inner city route. They are only maintaining inter-county services. Box Elder County will always be a "little fish" to UTA. A local transit will be a significantly more cost effective way to go.

Another recommendation of the study is that there be a fare to ride the bus to support the local transit system.

The study recommended that for a successful transit system, the City start with a local transit agency in Brigham City, Willard and Perry, then combine this with commuter rail or some kind of express bus service to get riders to the commuter rail system in Pleasant View. After there is a successful local service, the study recommended a second local system with cities outside Brigham City, Willard and Perry. They would subcontract to the local combined service.

Mr. Yarger said UTA would like the 1/4 cent sales tax increase from Brigham City, Willard and Perry on the November ballot, but they have not committed to any service date. They said the earliest service for commuter is 2015, but probably 2020 or 2025. They want communities to pay for the service up front. UTA has also proposed a transit system property tax, in the form of a general obligation bond to speed up the implementation of commuter rail. Any community that is in the UTA transit district in 2006, UTA is going to propose a property tax to implement commuter rail faster.

Mr. Yarger reviewed some of the concerns with commuter rail. Forty-two percent of the total transit revenue of the County would be consumed by commuter rail. Sixty-one percent of the revenue from Brigham City, Willard and Perry will be consumed by commuter rail. Commuter rail is three times more expensive than any other bus service. Commuter rail could be replaced by an express bus service that would take passengers to the Pleasant View commuter rail station until Brigham City's population grew to warrant the extension of commuter rail. This express bus service could be implemented for \$75,000-\$150,000 instead of the \$800,000 annually for commuter rail. It is projected that commuter rail from Pleasant View to Salt Lake City will serve 5,900 riders day. In contrast, TRAX serves 44,000 riders per day. Commuter rail services a lot less people, is much faster, and is a lot more expensive. Nationally, only 1.8% to 2.5% of the community's employees will use commuter transit services. The study indicated that maybe 3% of Box Elder will use it.

Mr. Yarger explained that if the Brigham City, Perry and Willard vote just for the 1/4 cent sales tax without an agreement for the local transit agency, this will be the end of the voting for Brigham City, Willard and Perry. This is because this would be 2/3 of the revenue of the County that is already dedicated to UTA and commuter rail for services. Nothing is left for the establishment of the local system to meet 85% of the needs identified in the study. Until a successful system is demonstrated in Brigham City, Willard and Perry, there is little or no chance of a county-wide 1/2 cent approval. These areas need to demonstrate that the system is successful before other communities in the County will be interested.

In conclusion, Mr. Yarger said the City needs to start with Brigham City, Willard and Perry and establish a local transit agency. Once this is successful, the other municipalities will probably follow once they have seen its success. This system must be easy to use, convenient and cost effective. The 1/4 cent transit tax already being paid by Brigham City, Willard and Perry residents will support the new local transit agency. The local transit agency must be established concurrently with commuter rail to ensure that both systems have a path to success. The support of commuter rail must be contingent on the establishment of the local transit agency.

Mayor Pro Tem Adams said if Brigham City did not pull out of UTA, the 1/4 cent tax that is already established is committed to pay off the infrastructure until the year 2022. If Brigham City does not establish a local transit agency, and the citizens pass another 1/4 cent tax, there could be a similar obligation on that 1/4 cent as well. Mr. Yarger agreed, adding that Brigham City has very little say where this money goes.

Request to Hook Up to Brigham City Water

Larry and Darlene Caldwell and Blair Blonquist came to the table. Ms. Caldwell explained that they would like to hookup to the Birch Spring line. They are trying to build a home in Box Elder County above Mantua in a remote area. It is adjacent to the Birch Spring line. In considering how to get water, they initially thought

they would have to dig a well. Due to environmental concerns, Brigham City recommended hooking up to Birch Spring line instead.

Mr. Blonquist said the City Attorney suggested a service agreement be written with the Caldwells.

MOTION: Councilmember Bell made a motion to approve the request to hook up with the Brigham City water with a service agreement as stated by the attorney. The motion was seconded by Councilmember Marabella and unanimously carried.

Concerns Regarding Impact Fees

Mr. Gary Jaggi came forward and stated that he and his siblings are owners of an orchard on the corner of 500 West and 500 North. They are interested in selling to developers. He has talked to Jared Johnson about impact fees. He was shocked when he was quoted \$90,829 for impact fees only, with building permits and connection fees it will be \$103,000 plus whatever he is quoted for electricity. This takes a lot out of someone's profitability. They are hopeful that the City will consider giving us some concessions on these fees.

The developer they have talked to about this property has already built one four-plex at 38 South and 200 West. They are proposing building five 4-plexes on this property. They build a very nice quality unit and it would be an asset to the community. This property has been an orchard for many years and is generating very little property tax. It would generate approximately \$1,800 a year per unit in property tax. If they constructed five units, that would be approximately \$90,000 per year in property tax. There would also be people moving into the complexes that would support local businesses. Mr. Jaggi added that the impact fees for parks alone is \$34,639, which seems like a lot of money based on the fact that no new park is going to be built. He asked the Council to consider lowering some of these impact fees.

The developers came to the table and said the complexes will be made of stucco and brick. None of them will be low-income housing.

Mr. Jaggi added that the City recently passed a law requiring sidewalks all around the property. He said it would be very difficult to put sidewalks on this property. There is a very steep hill and there are no sidewalks in the area.

Councilmember Marabella explained that impact fees are not something random the Council set. The City hired a consultant and looked at all aspects of the City and came up with these fees. The study found that the City was not receiving the correct amount previously. In reality, these fees are a cost by cost basis. The City does not make any money on impact fees. It replenishes what it costs the City to keep the systems up and running.

Regarding sidewalks, Councilmember Marabella said the Council has found that there were inconsistencies in the past on sidewalks. Sidewalks have always been required, yet there have been many exceptions granted without any reason. About two years ago, the Council determined that there needed to be some consistency in sidewalk deferrals. Mr. Jaggi said the property is ten feet high, and it would be very difficult to build a sidewalk. Councilmember Marabella said City staff would have to look into this.

Councilmember Marabella asked if the impact fees are so high because of the number of units being constructed. The developer stated it is approximately \$7,000 per unit. Councilmember Marabella said if there was only going to be two houses built on the property, it would not be even close to \$90,000. Having a lot of units will generate a lot more revenue than a regular home, and there will also be a lot more impact to the area.

Mayor Pro Tem Adams said the City went through a lengthy study before implementing these fees. A person has to meet certain criteria before reducing these fees. One of those criteria is that it meets a public purpose, which would be hard to define in a revenue generating situation. The Council is obligated under law to replace the revenue if fees are waived. There is no revenue in the budget to accomplish this. The Council is not in a position to break its own ordinances and fees.

Councilmember Jensen said if the Council waived or reduced these fees, it would be setting a precedent that the Council will be obligated to follow. The Council would then be inundated with builders and developers to do the same thing.

Mr. Jaggi suggested the Council consider the revenue that could be generated by developing this property and the benefit to the City as far as having a sizable clientele that would support City services and businesses.

Councilmember Marabella suggested the staff look at impact fees for high density vs single-family dwelling. He suggested staff look at other cities' impact fees to see if they have similar situations.

MOTION: Councilmember Marabella made a motion to ask staff to evaluate impact fees by classification in comparison to other cities to see if it is consistent with high density housing as well as low density housing to see how that compares. The motion was seconded by Councilmember Jensen and unanimously carried.

NEW BUSINESS

Request from Perry City to Purchase 10-Wheeler Dump Truck

Mayor Pro Tem Adams explained that Perry has made an offer on Brigham City's dump truck, and Bert Velasquez, Fleet Manager, feels it is a fair offer.

MOTION: Councilmember Marabella made a motion to approve the sale of the City's 10-wheeler dump truck to Perry City, seconded by Councilmember Bell and unanimously carried.

Resolution Increasing Ambulance Rates

Mr. Jim Buchanan came forward and explained that the state has provided a supplemental rate increase to adjust for a reduction in Medicare reimbursements to cover increased fuel costs. This is a supplement increase, not the annual review that should be received the end of June. There is no increase for the residents of Brigham City.

Councilmember Jensen said Mr. Buchanan's memo indicated the intent was to apply 5.2% across the board. He thought some of the numbers are incorrect, and asked Mr. Buchanan to check them.

MOTION: Councilmember Marabella made a motion to approve the resolution increasing ambulance rates, with the understanding that Mr. Buchanan check the figures to make sure they are consistent with the 5.2% increase. The motion was seconded by Councilmember Bell and carried unanimously.

UNFINISHED BUSINESS

Recommendation on Willard City Sewer Rates

Mr. Bruce Leonard; Ms. Judy Loveland, Willard City Councilmember; Scott Archibald, Sunrise Engineering; and Mr. Sheffield approached the Council. Mr. Sheffield explained that the theory was to establish the cost of the treatment plant. The percentage that Willard would use of the total plant capacity (4.25%) was received from their engineering firm. They figured the monthly treatment availability charge (TAC) cost would be \$6.06.

They based the plant operation costs on the department's budget (\$1,607,463). They deducted the collection system costs (\$298,967) and the transfers to the other funds (\$441,750). The electric cost of operating the plant was added (\$95,000), for a charge of \$13.84 per month. If this is added to the TAC, it would be \$19.90 per month. Mr. Sheffield recommended these calculations be used with any other City. He also recommended the agreement and fees be reviewed every year.

Mayor Pro Tem Adams said this would guarantee Willard a certain capacity, or leasing it to them, so there would be no fee up front.

Councilmember Marabella asked why the residents of Willard would pay \$19.90 per month and the residents of Brigham City are paying \$25.00 per month, which is going to \$23.00 per month. Mayor Pro Tem Adams explained that a portion of the \$23.00 pays for the collection system. Willard citizens, in addition to paying \$19.90 per month to Brigham City, would pay a fee to maintain their own collection system.

Mr. Archibald explained that Willard will be receiving a state grant with very good terms. It would be more beneficial to Willard to make a lump sum deposit. Brigham City could then invest that money and get a rate of return.

Mr. Leonard said their goal was to give Willard a range of rates for their study. When Willard finalizes their loan, they could approach the Council again and discuss how it should be done.

Mayor Pro Tem Adams said these numbers give Willard a basis to start. If Willard would rather have charges on a yearly basis, he recommended they come back with a proposal.

OTHER BUSINESS

National Public Works Week

Mr. Blonquist came forward and stated that this week is National Public Works Week. In conjunction with this celebration, the superintendents had a luncheon with all the employees. As part of this Public Works Week, they seek to raise the public's awareness of public works issues and to increase confidence in public works employees who are dedicated to improving the quality of life for present and future generations.

CLAIMS

Payment Register

Councilmember Jensen moved to approve the Payment Register for May 10, 2005 in the amount of \$352,701.89; for May 17, \$157,122.10. The motion was seconded and carried.

A motion to adjourn was made by Councilmember Bell. The motion was seconded and carried unanimously. The meeting adjourned at 8:58 p.m.